### Local Mandate Fiscal Impact Estimate Kentucky Legislative Research Commission 2015 Regular Session

## h Part I: Measure Information

Bill Request #: 809	
Bill #: SB 6 SCS	
Bill Subject/Title:	New Section that establishes medical review panels to review malpractice complaints against health care providers.
Sponsor: Senator Damon D. Thayer	
Unit of Government:	XCityXCountyXUrban-CountyXCharter CountyXConsolidated LocalXGovernment
Office(s) Impacted:	X
Requirement: X	Mandatory Optional
Effect on Powers & Duties:	Modifies Existing Adds New Eliminates Existing

#### **Part II: Purpose and Mechanics**

# SB 6 SCS retains the provisions of the measure as introduced and makes certain clarification and grammatical changes in the bill.

SB 6 SCS establishes medical review panels to review malpractice complaints against health care providers. All complaints must be reviewed by the panel which in turn provides an opinion. Only by agreement of all parties may a complaint go directly to a court of law bypassing the panel. The statute of limitations is suspended until 90 days after an opinion is given.

The panel will consist of an attorney who also acts as chairperson and three health care providers. The selection and removal processes for panel members are mandated within this proposal as well as procedural requirements and pay / expense reimbursement requirements for the panel.

The opinion of the panel which might be admissible as evidence in any subsequent court action will state in part one of the three outcomes:

- -Failure to comply with appropriate standards and the conduct was a substantial factor in producing a negative outcome for the patient;
- -Failure to comply with appropriate standards and the conduct was NOT a substantial factor in producing a negative outcome for the patient; and
- -Evidence does not conclude that there was a failure to meet the applicable standard of care.

#### Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The fiscal impact of SB 6 SCS on local governments is expected to be minimal.

For purposes of this local government mandate analysis, only hospitals and long term care facilities owned, operated or contracted for by local governments were considered.

The Cabinet for Health and Family Services (CHFS) shows 15 hospitals owned, operated, contracted by local governments. The hospitals all happen to be owned by county governments. Those hospitals are listed below:

Casey County Hospital
Crittenden Health System
Fleming County Hospital
Knox County Hospital
Murray-Calloway County Hospital
Russell County Hospital
Trigg County Hospital
Westlake Regional Hospital

Caverna Memorial Hospital
Hardin Memorial Hospital
Marshall County Hospital
Ohio County Hospital
Taylor Regional Hospital
Wayne County Hospital.

There are four long term care facilities owned, operated, or contracted by local governments. Those facilities are listed below:

Metcalfe Health Care Center NIM Henson Geriatric Center Nursing Facility of Hardin Memorial Hospital Spring Creek Health Care.

All cost associated with the panel including compensation to the members, reasonable travel expenses, and any other expenses are to be paid for by the party or parties in whose favor the opinion is written.

Whereas government employees are not excluded as possible panel members, there may be cost to cover the work load of a local government employee if selected as a panel member. This could be an attorney or health care worker employed by the local government.

**Data Source(s):** LRC staff. Cabinet of Health and Family Services.

**Preparer:** Wendell F. Butler **Reviewer:** MCY **Date:** 2/9/15